

CANADA LIFE CANADIAN DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENT | March 31, 2021

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statement has been prepared by Canada Life Investment Management Ltd., as Manager of Canada Life Canadian Dividend Fund (the "Fund"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Canada Life Investment Management Ltd. is responsible for reviewing and approving the financial statement and overseeing the Manager's performance of its financial reporting responsibilities. The Board meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP is the external auditor of the Fund. It is appointed by the Board. The external auditor has audited the financial statement in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statement. Its report is set out below.

On behalf of Canada Life Investment Management Ltd.,
Manager of the Fund



Steve Fiorelli
Chief Executive Officer



Jeff Van Hoeve
Chief Financial Officer

June 3, 2021

INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Canada Life Canadian Dividend Fund (the "Fund")

Opinion

We have audited the statement of financial position of the Fund as at March 31, 2021 and notes to the financial statement, including a summary of significant accounting policies (collectively referred to as the "financial statement").

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the Fund as at March 31, 2021 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information which comprises the Management Report of Fund Performance.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statement, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

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INDEPENDENT AUDITOR'S REPORT (cont'd)

In preparing the financial statement, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
June 3, 2021

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STATEMENT OF FINANCIAL POSITION

at March 31

	2021
	\$
ASSETS	
Current assets	
Cash and cash equivalents	20
Accounts receivable for investments sold	—
Accounts receivable for securities issued	—
Total assets	20
LIABILITIES	
Current liabilities	
Accounts payable for investments purchased	—
Accounts payable for securities redeemed	—
Total liabilities	—
Net assets attributable to securityholders	20

	Net assets attributable to securityholders	
	per security	per series
	2021	2021
Q Series	10.00	20
		20

NOTES TO STATEMENT OF FINANCIAL POSITION

1. Canada Life Canadian Dividend Fund (the "Fund") was created under the laws of Ontario effective March 17, 2021, pursuant to an amended and restated declaration of trust. The Fund's registered office is 255 Dufferin Avenue, London, Ontario. This financial statement has been prepared in accordance with International Financial Reporting Standards.
2. Canada Life Assurance Company, the Sponsor of the Fund, has purchased an initial 2 Q Series securities of the Fund for cash consideration of \$20. The Manager must retain a minimum of 2 securities in the Fund until it has received an additional \$500,000 from other investors.
3. Q Series securities are redeemable units which are puttable at the holders' option.
4. The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to most faithfully represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.
5. As detailed in the prospectus, the Manager is entitled to a management and fixed administration fee ranging from 0.65% to 1.85% and 0.15% to 0.24%, respectively, depending on the series in which the investor invests in. In exchange for the fixed administration fee, the Manager bears all of the operating expenses of the Fund other than certain specified fund costs.